

## REVENUE DEPARTMENT[701]

### Notice of Intended Action

#### **Proposing rule making related to data center businesses and refund requests and providing an opportunity for public comment**

The Revenue Department hereby proposes to amend Chapter 230, “Exemptions Primarily Benefiting Manufacturers and Other Persons Engaged in Processing,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 421.14.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 423.4.

#### *Purpose and Summary*

The Department is incorporating the sales and use tax refund request process for data center businesses into its new tax administration system. The existing rule implementing the refund for data center businesses requires that an affidavit be filed by the business before the business can file a refund claim. The Department proposes this rule making to allow businesses to submit the refund claim form and the affidavit simultaneously, after which the Department will review the affidavit prior to reviewing the refund claim form. This change will make it easier for data center businesses to provide the information required to request a refund.

#### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

#### *Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on July 6, 2021. Comments should be directed to:

Tim Reilly  
Department of Revenue  
Hoover State Office Building  
P.O. Box 10457  
Des Moines, Iowa 50306  
Phone: 515.782.0535  
Email: [tim.reilly@iowa.gov](mailto:tim.reilly@iowa.gov)

### *Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend paragraph **230.13(7)“d,”** introductory paragraph, as follows:

*d. Affidavit.* In addition to completing and filing Form IA 843, Claim for Refund, the owner of a data center business seeking a refund as specified in this rule must also complete and file with the department an affidavit certifying that qualifications for the refund have been met. The affidavit must be ~~filed prior to any refund request and must be~~ approved by the department before a refund claim can be ~~filed~~ reviewed. The following format must be used for the affidavit: